



CITY OF
**EAU
CLAIRE**

2021 Budget COVID Impacts

City of Eau Claire

City Council

8/25/2020



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2021 Budget COVID Impacts

- National League of Cities – *City Fiscal Conditions*, August 13, 2020

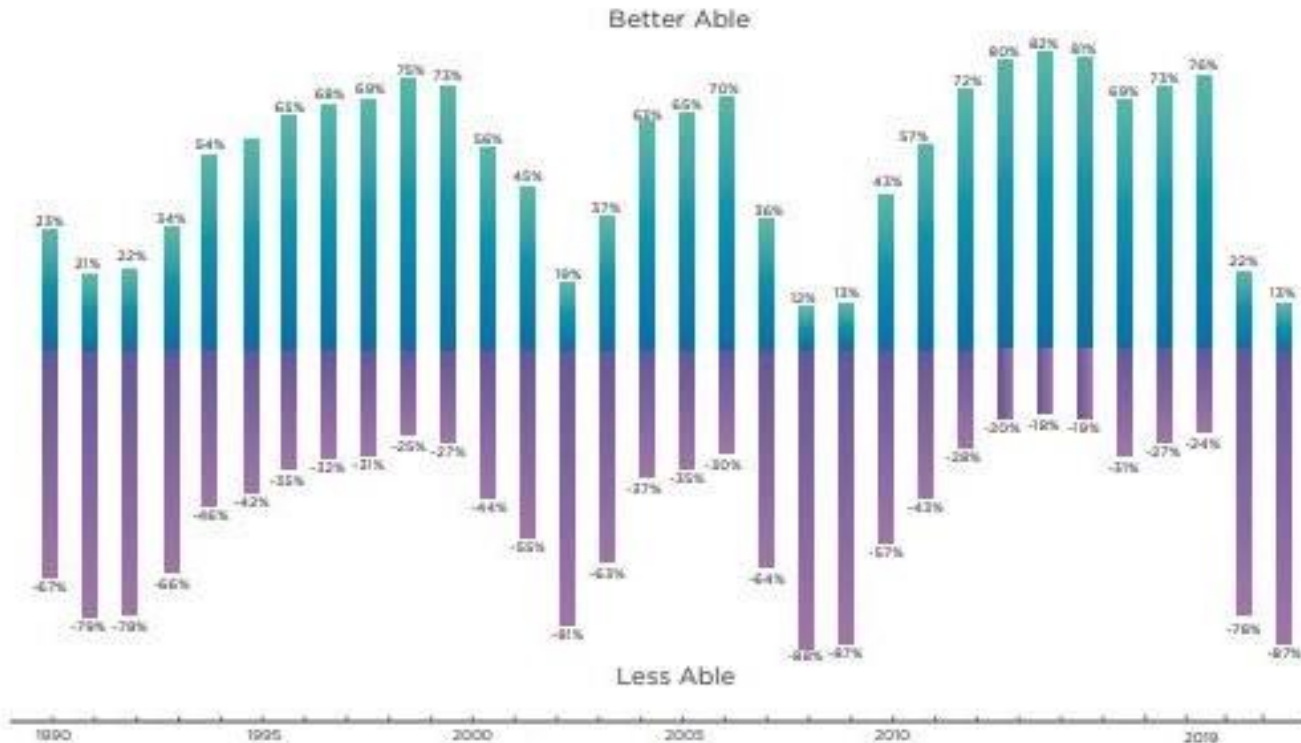
“Findings in the report reveal that America’s cities are experiencing the fiscal consequences of this pandemic-downturn at an unprecedented speed – and like recent recessions, it will take years for municipal budgets recover from the impact of COVID-19”



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SHARE OF CITIES BETTER/LESS ABLE TO MEET FISCAL NEEDS





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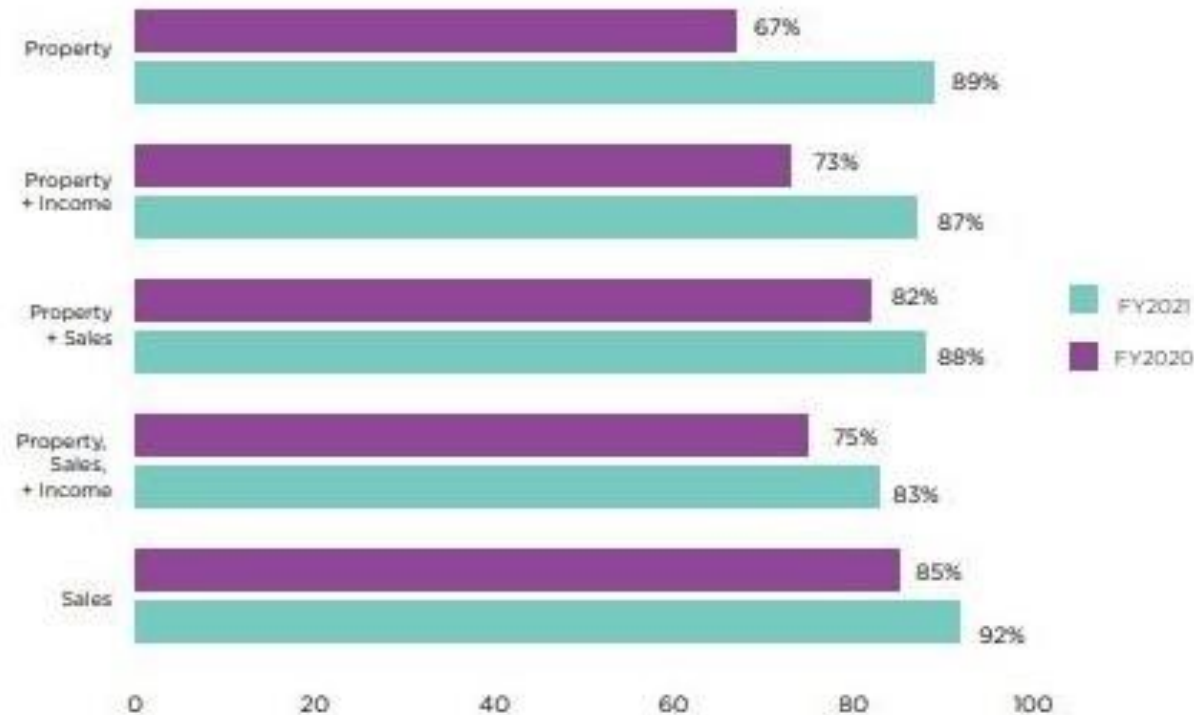
Year	Better Able (%)	Less Able (%)
2021	13%	-87%
2020	22%	-78%
2019	76%	-24%
2018	73%	-27%
2017	69%	-31%
2016	81%	-19%
2015	82%	-18%
2014	80%	-20%
2013	72%	-28%
2012	57%	-43%
2011	43%	-57%
2010	13%	-87%
2009	12%	-88%
2008	36%	-64%
2007	70%	-30%



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SHARE OF CITIES LESS ABLE TO MEET FISCAL NEEDS IN FY 2020 AND FY 2021, BY TAX STRUCTURE





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FY 2020 - FY 2021 REVENUE LOSS ESTIMATION BY TAX STRUCTURE





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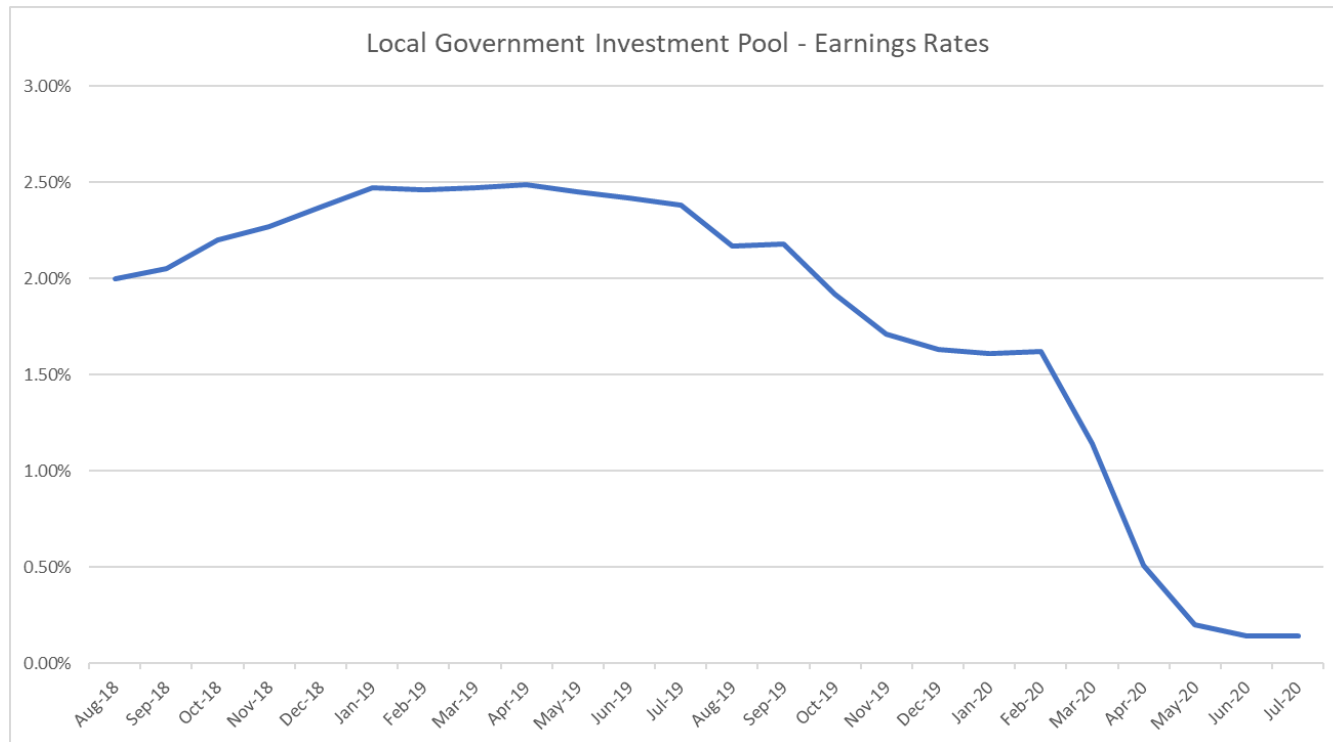
- Departments have submitted “base” budgets.
- “Base” budgets include funding necessary to provide same service level as prior year
 - COLA (2.5%)
 - Steps
 - Wisconsin Retirement System
 - Turnover from 2020 budget
 - Health Insurance
 - Utilities



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- 2021 General Fund Budget Challenges
 - Investment Earnings





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- **Recreation Program Fees**
- **Parking**
 - Business w/contracts at minimum
 - Businesses may renew at a lower guarantee
 - Less revenue = increased General Fund subsidy
- **Hobbs**
 - No UWEC Hockey
 - Will High Schools play?
 - Spectators – 3rd quarter 2021?



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- **Fairfax Pool?**
 - When will it open?
 - Will customers return?
- **Transit**
 - When can busses be filled?
 - UWEC Contract?
- **State Shared Revenue?**
- **State Transportation Aids?**



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2021 Significant Revenue Changes

Property Tax Levy (limit 1.92% for operations)	\$ 586,500
Regional Ambulance Service	275,000
Recreation Program Fees	(120,000)
Investment Earnings	(618,000)
Communications Center Reimbursement	(124,000)
Other Changes	<u>66,000</u>
	\$ 65,500



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2021 Significant Expenditure Changes

Wages (2.5% COLA/Step Increases)	\$ 632,000
Health Insurance (2%)	293,000
Retiree Health Insurance	(186,000)
Computer Service Charges	145,000
Transit Operating Assistance	(140,000)
Other Changes	<u>(241,000)</u>
	\$ 503,000



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- No new positions or service modifications are included in these numbers
- Budget is currently out of balance by \$436,500



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Questions?